

TRANSPORTATION ACCOUNTABILITY

C O M M I S S I O N

Outcome Measures Subcommittee Meeting Richmond Regional Planning District Commission February 21, 2007

Members Present:

Young Ho Chang, ATCS
Mayor Charles Allen, Newport News
Sally Thomas, Albemarle County Board of Supervisors
John Lewis, Greater Richmond Transit Company
Gary Fenchuck, East West Partners

Others Present:

Ralph Davis, Office of the Secretary of Transportation
Mary Lynn Tischer, Commonwealth's Multimodal Transportation Planning Office
Lance Neumann, Cambridge Systematics
Keith Martin, VDOT Policy Division
Kimberly Spence, Commonwealth's Multimodal Transportation Planning Office
Katherine Graham, Commonwealth's Multimodal Transportation Planning Office
Jim Gillespie, Virginia Transportation Research Council
Keith Wendtke, VDOT Policy Division
Mike Garrett, VDOT Policy Division
Rusty Harrington, Department of Aviation

Meeting Summary:

Mr. Young Ho Chang opened the meeting by welcoming everyone and asking committee members and other attendees to introduce themselves. He then asked if any member of the public wished to provide comments to the commission. No one came forward.

Mr. Chang reviewed the key responsibilities of the Outcome Measures Subcommittee: reviewing and assessing current accountability and performance

measures; identifying and recommending national best practices in accountability and performance for transportation; recommending outcome measures, including measures for land use and transportation coordination; and recommending overarching strategic goals. The committee will also consider whether there are quantifiable ways to measure a transportation project's impact. He also noted that it will be important to define a set of overarching goals along with recommending performance measures.

Mr. Chang reviewed the agenda and explained that the subcommittee's recommendations will be presented to the full commission in March.

Dr. Lance Neumann, President of Cambridge Systematics and Chairman of the Transportation Research Board's Committee on Performance Measures, gave a presentation on the state of the practice in performance measurement. He discussed measurement trends and changing uses of performance measurement; described how systems are measured; provided examples of the state of the practice in performance measurement; and discussed setting targets and making peer comparisons. Dr. Neumann stressed that measures without goals are meaningless.

Dr. Neumann identified several key stakeholder groups including the management team and employees of an agency or business, executive and legislative bodies that control budgets, the public and special interest groups, among others.

The committee discussed the need to establish overarching goals before identifying performance measures. Mr. Chang reminded the group that one product expected from the subcommittee is a set of overarching goals that could be adopted by the authorizing boards of each of the transportation agencies. The group discussed the need to ensure that the goals are sufficiently general yet meaningful and address all modes.

Dr. Neumann urged the group to exercise caution in identifying performance measures because what gets measured generally receives priority and there can be unintended consequences. For example, focusing on completing a project on-time and on-budget could result in increased long-term costs. Ms. Thomas stressed the need to obtain input on the goals and measures from stakeholders, particularly from localities. She also pointed out the need to recognize the differences between rural and urban areas. Dr. Neumann suggested that in many cases, it is appropriate and desirable to establish different measures for the same goal to reflect geographic variability and/or to develop different targets for the same measure.

Dr. Neumann advised the group to take advantage of existing data sources, but not to stop there. Many states have found that they needed to revise their data collection strategies to support effective performance measurement.

Mr. Lewis asked whether there had been any studies that measured the effectiveness of various land use/smart growth policies. Mr. Neumann explained that such policies are easier to evaluate on a small scale, such as at a local level. He noted that Portland had done a good job of reducing growth within the designated smart growth area but that there was an increase in building just outside the boundary. He further indicated that studies are generally inconclusive because of the complexity of the issue and the difficulty in controlling for other factors.

Mr. Squires asked for examples of other states that are working to link performance and funding. Mr. Neumann answered that several states such as Ohio, Washington, and Missouri had successfully demonstrated good stewardship of resources through their performance measurement process and this had laid a foundation for additional funding. One approach that was used by several states was to display the performance that could be achieved with available resources and compare it with the potential performance given an increase in funding. One of the most valuable results of measurement is improving communication about various aspects of system performance. Dr. Neumann recommended that targets should be realistic and based on something that can be accomplished with available revenues. It would be helpful to show what additional performance could be obtained if revenues were greater than that available.

The group revisited the need to establish overarching goals prior to identifying performance measures. Mr. Squires stated that a considerable body of work exists and reminded the group that presentations later on the agenda address existing transportation goals, performance measures, and targets. Mr. Chang added that it is within the subcommittee's purview to make recommendations regarding the appropriateness of existing goals and performance measures. Presentations from the full commission meeting showed that each transportation agency is collecting a significant amount of data and measuring a number of factors, however, the integration of these efforts appears to be missing. Deputy Secretary Davis stated that there are numerous opportunities for improvement and this group should make recommendations to address them. The group agreed that there should be overarching goals that apply to all the transportation agencies and boards.

Dr. Mary Lynn Tischer asked Dr. Neumann to describe how performance measures might be used to identify specific projects. Mr. Neumann responded that using performance measures to support project selection is a part of establishing a performance measurement framework. He cautioned that system level performance measures are not always appropriate for project-level decisions, however.

Mr. Chang inquired whether there is a general rule of thumb for how many performance measures are appropriate. Dr. Neumann responded that while there is no standard, at a system level, the number of performance measures should be relatively small. He encouraged the group to start with a few and add measures incrementally. He added that more detailed measures may be necessary behind higher-level measures that are reported for the public and other stakeholders.

Dr. Tischer, Director of the Commonwealth's Multimodal Transportation Planning Office, gave a presentation on Virginia's 2006 Performance Report, including the legislative requirements related to the annual performance report, long-range goals, performance measures, and examples.

Mr. Chang asked Dr. Tischer to expand on how the goals were created. Dr. Tischer explained that state legislation requires development of a long-range multimodal transportation plan every five years. The most recent plan, known as VTrans2025, was completed in 2004. It identified six goals, five of which form the basis of the 2006 Performance Report. The sixth goal, Fiscal Responsibility, is not addressed as an independent chapter because the focus of the report is on system performance, not agency performance. These goals were established through an extensive public outreach effort involving thousands of Virginians through more than 40 public and stakeholder meetings, a statewide telephone survey, and guidance from an oversight policy committee. Following completion of the Final VTrans2025 Report, an Action Plan and Status Report were completed and both recommended development of a system-level performance report. The interagency multimodal planning effort continues through the Commonwealth's Multimodal Transportation Planning Office.

The group agreed that the goals identified in VTrans2025 and the 2006 Performance Report are reasonable and sufficiently broad, but decided to revisit the discussion at the end of the meeting. Mr. Davis reminded the group that several performance measures are identified in legislation currently pending in the General Assembly, including job/housing ratios, per capital vehicle miles traveled, congestion reduction, safety, transit and HOV use, access to transit and pedestrian facilities, and air quality. These measures should also be considered in the committee's discussions.

Dr. Tischer noted the importance of distinguishing between goals and performance measures. A goal is a general statement of a desired state or ideal condition (e.g., a safe and secure transportation system). A performance measure is a specific description of an activity or service that is systematically calculated and measured by quantitative data (e.g., number of fatalities).

Ms. Thomas expressed a reluctance to rely on the transportation agencies to identify strategies to meet the performance objectives. The group discussed

whether it is within the purview of the commission to evaluate the specific strategies identified by the various agencies.

Mr. Gary Fenchuk noted that in the absence of common goals, agencies may be measuring performance and identifying strategies to achieve different goals. He suggested that agencies might be spending a lot of time and resources measuring things that relate to the wrong goals.

Mr. Chang advised that delving into strategies may be beyond the scope of the Executive Order establishing the Commission and would require considerable expertise. Mr. Lewis noted that the strategies fail to address the full spectrum of modes and issues. For example, while aviation and port security appear to have been addressed, rail and transit security measures are lacking.

Mr. Davis added that it is the responsibility of the Commission to identify performance measures where they are currently lacking. The transportation agencies must then identify specific strategies to address these performance measures. Mr. Chang noted that the goal of performance measures is to provide information so that transportation agencies can re-examine their strategies in instances where performance is undesirable. It was recommended that all performance measures should have targets and where measured performance is not consistent with the desired performance targets, the appropriate transportation agency (agencies) should re-examine the strategies identified to achieve the goal and make recommendations for improvement. Dr. Tischer added that future developments will involve tying resources to opportunities. There also needs to be a “feedback loop” to verify that the agencies are measuring the things that are meaningful to the stakeholders.

In response to a question from Ms. Thomas, Dr. Tischer noted that strategies related to travel demand measures (TDM) are identified throughout the 2006 Performance Report, specifically in the mobility goal.

Mr. Chang asked for clarification on the job/housing balance performance measure. Dr. Tischer explained that this performance measure is often identified in the land use context; however, the “standard” remains unclear. She added that it may be appropriate to couple the job/housing balance measure with other measures, such as trip length or trip time. Mr. Chang noted that in the last decade, the main commute pattern in Fairfax County has shifted from suburb-to-central business district to suburb-to-suburb, with most of the county residents staying in the county to work. While this might be described by a job/housing balance of 1, it could still result in a long trip time since road and transit networks are set up to facilitate suburb-to-central business district commutes. He agreed that, alone, a job/housing balance performance measure may be misleading.

Mr. Fenchuck requested more information on how quality of life is measured. Dr. Tischer explained that this is a difficult factor to measure. Delay, congestion, and

environmental factors like air quality and acreage of land preserved are used in the 2006 Performance Report. Quality of life is easier to measure at the regional or local level, but very difficult at the statewide level. It is one area that has already been identified for improvement. Ms. Thomas reiterated that it may be appropriate to establish different targets for urban and rural areas.

Mr. Squires noted that the performance measures appear to be reflective of current data availability. Others agreed and expressed concern that important information would be lost if only the measures for which data exist are identified and reported. It was recommended that where data are lacking to consistently and effectively report on an identified measure, new data sources should be developed.

Mr. Lewis noted that the current measure of the state's share of federal transit expenditures is misleading. The federal share is 80 percent of the total cost, so the state's contribution in 2006 was actually 63 percent of the 20 percent non-federal share. A more appropriate measure should be identified for future performance reports.

Mr. Lewis stressed the need to promote connections between the modes, such as sidewalks to transit stops. Dr. Tischer agreed and explained that the Commonwealth's Multimodal Transportation Planning Office is currently working with regional planning bodies to develop regional performance measures to capture such issues.

Mr. Chang inquired whether every performance measure in the 2006 Performance Report has a target. Dr. Tischer noted that not every performance measure has a target currently. The group agreed that the 2006 Performance Report is a great start and a solid foundation. There is a need, however, to build on this work and more clearly show the link between funding levels, accountability, and performance.

Mr. Keith Martin, VDOT's Policy Division Administrator, briefed the subcommittee on pending legislation related to performance measurement and gave an overview of some items in the proposed budget.

Several members of the committee expressed concern over the need to ensure that performance measures identified in proposed legislation are incorporated into the Commission's recommendations. Mr. Davis noted that commission members will receive regular updates to ensure they are aware of pending legislation related to performance measurement.

Ms. Kimberly Spence with the Commonwealth's Multimodal Transportation Planning Office gave a presentation on the specific performance measures included in the 2006 Performance Report, including an overview of the

framework of the performance report, current performance measures, measures and data under development, and next steps.

The group reiterated the need to relate performance and accountability to funding levels.

Mr. Fenchuk requested more information on the origin of the economic vitality goal. Dr. Tischler offered that there is a strong relationship between the economy and the transportation system: an effective transportation system is needed to support a vibrant economy. The transportation system should support existing businesses and job opportunities. Ms. Thomas suggested that it will be important to identify a measure that addresses livability/affordable housing/living wage and incorporates the cost to commute.

The group revisited the strategic goals identified in VTrans2025 and proposed the following:

1. Safety – *To provide a safe transportation system.*
2. Security – *To provide a secure transportation system.*
3. System management and preservation – *To preserve and manage the existing transportation system through technology and more efficient operation.*
4. Mobility, connectivity, and accessibility – *To facilitate the efficient movement of people and goods, improve interconnectivity of all transportation modes, and provide accessibility for all.*
 - a. Congestion
5. Economic vitality – *To improve Virginia's economic vitality.*
 - a. Affordability
6. Coordination of transportation and land use – *To facilitate the coordination of transportation and land use activities.*
7. Fiscal responsibility – *To improve program delivery.*
8. Environmental stewardship – *To improve environmental quality.*

Quality of life was also identified as an important – but undefined – factor.

Mr. Lewis noted that mobility, connectivity, and accessibility are very different concepts and measures should be identified for each of the three concepts. He also noted that transit project sponsors must consider whether a highway project would be more appropriate. This is not the case for highway project sponsors.

The group favored a goal of economic vitality over economic development. Mr. Chang noted that transportation is a facilitator of economic development, but not necessarily a cause of development.

Mr. Chang requested input from the group on the land use measure. He noted that while state operation of the majority of state lane mileage is often blamed for

the disconnect between transportation and land use, it also results in maintenance and construction consistency. Ms. Thomas expressed concern over growing calls for devolution of road maintenance.

Mr. Lewis noted that the committee should consider cost/benefit and return on investment as an indicator of fiscal responsibility. He stressed the need to determine whether the right projects are being built, in addition to being built on-time and on-budget. Mr. Davis noted that project level performance is difficult to measure.

Some key findings from the subcommittee meeting include the following:

1. Measures are meaningless without goals.
2. Goals need to be adopted and embraced by appropriate boards and management.
3. The eight goals as shown should be reviewed for opportunities for possible consolidation.
4. Performance measures should have targets that are realistic and based on something that can be accomplished with available revenues. They should also show the effect of additional revenue on performance targets.
5. The goals identified in VTrans2025 and the 2006 Performance Report are reasonable and sufficiently broad to be used as a starting point.

Mr. Chang committed to circulating the draft strategic goals for the committee to review. He will give a report to the full commission at the March 30, 2007 meeting. The next Outcome Measures Subcommittee meeting will be held April 18, 2007 at the Virginia Housing Development Corporation in Richmond.